

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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February 4, 2005 LB 216

SENATOR CUDABACK: The question before the body is adoption of the committee amendments, AM0042, to LB 216. All in favor vote aye; opposed, nay. The question before the body is adoption of the committee amendments offered by the Revenue Committee to LB 216. Have you all voted on the issue who care to? Record please, Mr. Clerk.

CLERK: 28 ayes, 0 nays, Mr. President, on adoption of committee amendments.

SENATOR CUDABACK: Committee amendments have been adopted. Mr. Clerk, next motion.

CLERK: Mr. President, Senator Landis would move to amend LB 216 with AM0216. (Legislative Journal page 419.)

SENATOR CUDABACK: Senator Landis, you're recognized to open on AM0216 to LB 216.

SENATOR LANDIS: Thank you, Senator Cudaback, members of the Legislature. Shortly after the bill was reported out, we received a letter from the National Payroll Reporting Consortium and they asked us as to the intent of some of the language that had been reported out because, while they supported the general notion of the bill, they thought that the language might have an ambiguity that would implicate their members, and they wanted to know from the Department of Revenue their intentions. The Department of Revenue made clear what their intentions were and, in fact, to capture that intention accurately and cut off the ambiguity, this amendment is offered. What the section is, is Section 14 of LB 216 and this is to allow employers to appoint a common pay agent. Now, a common pay agent is defined, under the IRC, the Internal Revenue Code, in Section 3504, to pay and file withholding taxes on a consolidated basis. Particularly where you have employees spread out in different situations and what you do is you get a common pay agent. The common pay agent allows the employer to have this one person who is responsible for the withholding taxes for all of these diverse, let's say, people working at home, employees, and cover all of their withholdings simultaneously. Good idea, easy administration,